

m/045/002



Shaw® Shaw Environmental & Infrastructure, Inc.

Intrepid Potash - Wendover, Utah

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January 25, 2005

Mr. Doug Jensen
State of Utah
Division of Oil, Gas and Mining
PO Box 145801
Salt Lake City, Utah 84114-5801

RECEIVED
FEB 07 2005
DIV. OF OIL, GAS & MINING

Subject: Status of the Intrepid Potash, Wendover Facility, Mine and Reclamation Plan

Dear Doug;

This correspondence is intended to provide you with the current status of the preparation of the updated Notice of Intent to Conduct Large Mining Operations (Mining and Reclamation Plan) for the Intrepid Potash Wendover facility. As you are aware, we are in the process of developing a digitized base map of the area. The base map is being constructed by Intermountain Aerial Surveys (IAS) of Salt Lake City and will be used to complete the Mining and Reclamation Plan. Both Intrepid personal and I visited IAS last week to determine the status of the mapping effort. The mapping is expected to be complete by the end of February as a result of delays due to a number of unforeseen issues. IAS has made significant progress and reviewed the results to date with BLM staff and myself on January 21, 2005 at their facility.

I also visited the Wendover facility with the intent of further defining / scoping hydrologic investigation activities to support the proposed reclamation approach. However, due to excessive ponding of winter runoff in the area (> 1 foot of ponding on the salt flats), access was limited and field activities will have to wait until access is possible. It is our intent to use the hydrologic data to help determine / support / justify proposed reclamation strategies.

We expect to complete the Mining and Reclamation Plan within ten weeks of the receipt of the base mapping. Anticipating completion of the mapping by the end of February, we intend to submit the Mining and Reclamation Plan in mid-May. I also assume that site conditions will allow access to complete the hydrologic investigation effort within that time frame.

As we previously discussed, one of our first efforts will involve presenting you a conceptual protocol and methodology to guide the level and type of ditch reclamation necessary for ultimate site closure. This submittal is intended to solicit DOGM input and guidance in the development of the ditch restoration portion of the Mining and Reclamation Plan. As we get into the process of defining the proposed reclamation specifics we would like to meet and interact with appropriate DOGM personnel (as we did throughout the Moab Salt Reclamation Plan preparation process) to streamline the review process. A meeting at Wendover, early in the plan development process, once we have mapping and conceptual reclamation concepts is proposed. I will get back to you

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regarding potential March meeting dates.

Should you have any questions or the desire to convene a meeting earlier than March, please contact Rick York, Rick Klein, Greg Foy or myself.

Sincerely,

Shaw Environmental and Infrastructure

Richard Schowengerdt

Principal Engineer
Principal Hydrogeologist
Vice President Western Region

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